COMMONWEALTH OF KENTUCKY

## BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of

NOTICE TO ADJUST RATES BY ELAM UTILITY COMPANY, INC., MORGAN COUNTY, KENTUCKY

CASE NO. 7601

## ORDER

On August 14, 1980, Elam Utility Company, Inc. (Elam), by counsel, filed its Notice to adjust its rates by adding a temporary surcharge to enable it to pay an outstanding gas bill in the amount of \$79,299.26 owed to its supplier, Columbia Gas Transmission Corporation. Elam alleges that the proposed surcharge of \$1.00 per MCF on each monthly bill for each MCF would remain in effect until the total amount of \$62,757 is collected. Elam proposes to apply to the Department of Local Government (DLG) for authority to borrow an additional \$12,000, a portion of DLG funds allocated to Elam but not used, and, in addition, to request that DLG return the escrow amount of \$2,225.72 paid to date and forego future escrow obligations in the amount of \$8,613.03. These sums would be utilized to meet the outstanding bill for purchased gas.

The Commission, having considered the matter and being advised, is of the opinion and finds:

- (1) That the filing herein was submitted three days subsequent to the Commission's Order entered August 11, 1980 in Case No. 7601 (adjustment of the rates of Elam Utility Company, Inc.) and thus within the twenty day period prescribed in KRS 278.400 for the filing of an application for rehearing in that proceeding.
- (2) That in accordance with finding (1) above, the filing herein should be treated as an Application for Rehearing in Case No. 7601.
- (3) That the Application for Rehearing presents no information which could not, with reasonable diligence, have been offered prior to the entry of the Commission's Order in Case No. 7601.

IT IS THEREFORE ORDERED That the Application for Rehearing be, and it hereby is, denied.

Done at Frankfort, Kentucky, this 22nd day of August, 1980.

ENERGY REGULATORY COMMISSION

For the Commission

ATTEST:

Secretary